



\$125,168,512

In 2012, FHLBI members accessed over \$125 million through our affordable housing and economic development programs. While the dollars are critical to the creation of more affordable housing and job opportunities, the people behind the numbers give them meaning.

**Behind the
Numbers**

Affordable Housing Advisory Council

2012 ANNUAL REPORT

**FEDERAL HOME LOAN BANK
OF INDIANAPOLIS**



2012 BOARD OF DIRECTORS AFFORDABLE HOUSING COMMITTEE

FRONT SEATED LEFT TO RIGHT: **Christine Coady Narayanan** - President & CEO, Opportunity Resource Fund, Lansing, MI; **Larry A. Swank** - President & CEO, The Sterling Group, Mishawaka, IN

MIDDLE ROW LEFT TO RIGHT: **Elliot A. Spoon** - Assistant Dean for Career Development & Professor of Law in Residence, Michigan State University College of Law, East Lansing, MI; **James L. Logue, III** - Senior Vice President & COO, Great Lakes Capital Fund, Lansing, MI

BACK ROW LEFT TO RIGHT: **Michael J. Hannigan** - *Chair*, - President, The Hannigan Company, LLC, Indianapolis, IN; **Carl E. Liedholm** - Professor of Economics, Michigan State University, East Lansing, MI; **Jonathan P. Bradford** - *Vice Chair*, - President & CEO, Inner City Christian Federation, Grand Rapids, MI



2012 AFFORDABLE HOUSING ADVISORY COUNCIL

FRONT SEATED LEFT TO RIGHT: **Jack Brummett** - *Chair*, Regional President, Great Lakes Capital Fund, Indianapolis, IN; **Marc Craig** - *Vice Chair*, President, Community Housing Network, Troy, MI

MIDDLE ROW SEATED LEFT TO RIGHT: **Scott Griffith** - President ERA Griffith Realty, Brighton, MI; **Paula Craig** - Housing Director Blue River Services, Inc., Corydon, IN

STANDING LEFT TO RIGHT: **Gary Heidel** - Director of Policy, Michigan State Housing Development Authority, Lansing, MI; **Todd Sears** - Executive Vice President - Portfolio and Corporate Finance, Herman & Kittle Properties, Inc., Indianapolis, IN; **Tahirih Ziegler** - Executive Director, Local Initiatives Support Corporation, Detroit, MI; **Mark Leblang** - Principal Alliance Architects, South Bend, IN; **Ravi Yalamanchi** - Chief Executive Officer, Metro Community Development, Inc., Flint, MI; **Jamie Schriner-Hooper** - Executive Director, Community Economic Development Association of Michigan, Lansing, MI; **Sherry Seiwert** - President, Indianapolis Downtown, Inc., Indianapolis, IN

NOT PICTURED: **Rev. Adrian M. Brooks, Sr.** - CEO, Memorial Community Development Corporation, Evansville, IN

Message from the Advisory Council

I have enjoyed my six years of service on FHLBI's Affordable Housing Advisory Council (AHAC), particularly in 2012 as chair of this group of dynamic and engaged housing and economic development practitioners. Our lively discussions with the Affordable Housing Committee on the direction and practical aspects of the affordable housing offerings remind us of the diversity of housing and community projects that can be addressed by members with FHLBI's community investment resources. The past year has been a celebration of project completions, some of which had stalled during the sluggish economic recovery, as well as the increased energy of the rebounding tax credit market, mortgage lending and the district's economy overall.



Jack Brummett

The AHAC, Board of Directors and FHLBI staff were fortunate to tour three exceptional projects in Kalamazoo, MI in 2012, providing an opportunity to look behind the numbers and see that our policy decisions result in creative community solutions to local housing needs. We were inspired by the programs of the Kalamazoo Gospel Mission, a shelter for homeless men that provides so much more than shelter, as well as the newly renovated Rickman House, a permanent supportive housing project in a restored historic hotel. We also toured the Ark Cottages, a new construction project serving homeless youth and providing a stable, supportive environment in an established residential neighborhood.

This opportunity to see AHP in action fuels us as we work to determine priorities for the upcoming year. Comprehensive Community Development and Aging-in-Place scoring initiatives in 2012 were adopted to support the needs of our district and have seen an enthusiastic response from applicants. Project readiness was recognized with points in 2012 to encourage more rapid utilization of the AHP subsidy. This category has yielded results, with two 2012 projects already completed. FHLBI is looking forward to 2013 with refinements to the scoring changes adopted in 2012 and increased support for our member financial institutions serving first-time homebuyers. Up to \$10,000 for down payment and closing cost assistance for first-time homebuyers will be available to eligible households as home mortgage business rebounds in the district.

AHAC members have already attended the regional outreach events held in early 2013. I'm looking forward to my ongoing relationship with FHLBI and its strong and engaged membership as we continue to invest in communities throughout Michigan and Indiana.

Sincerely,



Jack Brummett

Chair

Regional President Great Lakes Capital Fund
Indianapolis, Indiana



FHLBI member Merchants Bank of Indiana received a \$500,000 Affordable Housing Program grant to help build One Penrose Place, a 45-unit apartment building for people aged 55 and older. Built on the grounds of Ft. Harrison in the Indianapolis suburb of Lawrence, One Penrose Place is part of a comprehensive development initiative to make the community a better place to live.



Palmer Pointe Townhomes in Pontiac, MI offers 24 affordable townhomes, 9 of which are reserved as supportive housing for the disabled and formerly homeless. Citizens Bank partnered with Community Housing Network to receive an Affordable Housing Program grant of \$465,000 to help fund the development.



Lincoln Apartments in downtown Indianapolis will be a three-story elevator building offering studio and one-bedroom apartments with common and social service space on the first floor. A community effort including the land donation and brownfield clean-up by the City of Indianapolis represents a collaborative, focused development initiative to provide stable, permanent supportive housing for homeless veterans with disabilities. The National Bank of Indianapolis partnered with Building Blocks Non-Profit Housing Corp.



\$750,000

Vista Maria in Dearborn, MI received a \$750,000 Affordable Housing Program grant in 2011 through FHLBI member Amerisure Mutual Insurance Company to help fund the renovation of Shepherd Hall. The dorm-style rooms for young women aging out of the foster care system allow them to continue to receive the support they need to lead productive lives.



\$750,000

A fire in November 2010 destroyed a historic building on the courthouse circle in Paoli, IN, but a new building containing both apartments and retail/office space has risen in its place. Hoosier Uplands Economic Development Corp. received an Affordable Housing Program grant of \$750,000 in 2011 through Old National Bank.

Message from the President

\$125,168,512. This represents the total amount of funding disbursed through our Affordable Housing Program (AHP), Homeownership Initiatives and Community Investment Program (CIP) in 2012. An impressive number to be sure, but a look behind the number reveals that

- 4,313 homes are being built and rehabilitated;
- 6 retail stores, businesses, and public facilities are being launched or expanded;
- hundreds of single-family residential mortgages are being originated; and
- much-needed temporary and permanent jobs are being generated.

Of course, the people and communities that have benefited from our programs, some of which are featured in this report, are the real story behind the numbers. Breanna Hubbard, pictured with her son Daimon on page 4, enjoys living in a three-bedroom home renovated with an AHP grant. The apartment complex where she had been living was an unsafe environment for her young son, but Habitat for Humanity in Muncie, Indiana and partner Mutual Bank worked together to make the home affordable. Now Daimon plays in a fenced backyard, and Breanna feels secure in an established, well-kept neighborhood.

Behind the \$5.3 million disbursed through our Homeownership Initiatives are 743 families who were able to purchase a home because of the down payment and closing assistance they received through the Homeownership Opportunities Program or who were able to afford repairs to their homes through the grants provided through the Neighborhood Impact Program (NIP). Using NIP grants, couples like the Pipers featured on page 9 can afford renovations that not only improve the appearance of the home but also make it more energy efficient, which in turn lowers utility bills and makes owning a home more affordable. We're pleased that more members are accessing funds from these programs, with four new program participants in 2012.

Members that access low-cost advances through our CIP help fund economic development activities, multifamily housing and mortgage portfolios, but, more importantly, they are creating stronger, healthier neighborhoods. The \$1 million CIP advance for a fire station in Noble County in northeast Indiana, for example, didn't only construct the new facility; it generated pride in the community and established a new, lasting relationship between FHLBI member Campbell & Fetter Bank and the Orange Township firemen. I encourage all of our members to look for ways to use CIP to support initiatives in their communities. It is an excellent resource for financing single- or multi-family housing, expanding small businesses and building infrastructure.

Since this report emphasizes the people behind the numbers, I must acknowledge our Affordable Housing Advisory Council, the Affordable Housing Committee of the Board of Directors and our community investment staff, who collaboratively work to ensure that our programs address Indiana's and Michigan's housing and economic development needs. Lastly, much credit must be given to our members that support our programs and project sponsors that put program funds to work in their communities. Their passion for helping people is inspiring, and the FHLBI is proud to be their partner. Together, we will continue to work toward our common goal of improving housing and communities in Indiana and Michigan.

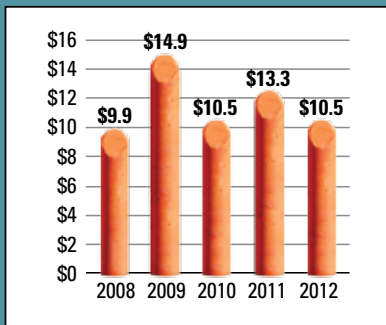
Sincerely,

Milton J. Miller
President - CEO

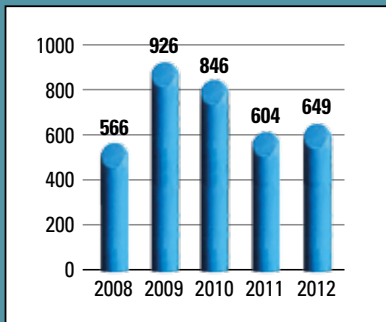


Milton J. Miller
President - CEO

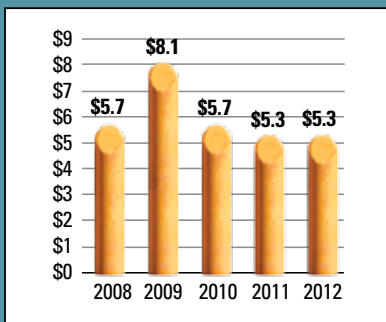
AHP Awards
\$ in millions



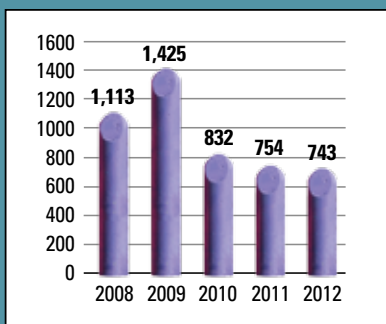
AHP Units



HOP/NIP Subsidy
\$ in millions



HOP/NIP Units



CIP Advance Originations
\$ in millions



Program Summary

2012 was a year to reflect on past successes and make changes to assure FHLBI's grants and lower cost advances have maximum impact in Michigan and Indiana. The Affordable Housing Program subsidies help members fund a wide range of developments with positive impacts that are not just related to improved affordable housing options. Local economies receive a boost from the jobs created, increased construction and consumer spending, and generation of local tax revenues. FHLBI's private funds provided public benefit by leveraging other sources to produce both housing and jobs. Even more importantly, individual lives are positively impacted every day from the housing opportunities supported by this funding.

Our Affordable Housing Advisory Council (AHAC) brings a variety of views and community expertise, vision, and dedication to the creation of our community investment goals. We wish to thank our members on behalf of the AHAC for their enthusiastic use of these programs that contribute to our district's economic resurgence.

AFFORDABLE HOUSING PROGRAM (AHP)

In a single 2012 application round, FHLBI awarded \$10.5 million in AHP subsidy to 27 projects developing or preserving 649 units of affordable rental and homeownership housing. These housing developments embraced FHLBI's priorities of member financial involvement, special needs with supportive services, including aging in place, comprehensive community development, economic diversity, green development and rehabilitation and non-profit sponsorship. Thirty members submitted 53 applications. Three of the awards were to first-time member applicants or to a member not applying for AHP in the past 5 years.

HOMEOWNERSHIP INITIATIVES

In the 2012 program year, \$5.3 million was disbursed as down payment and closing cost assistance or homeowner rehabilitation grants through the Homeownership Opportunities Program (HOP), Neighborhood Impact Program (NIP) and Neighborhood Stabilization Assistance (NSA). These funds were disbursed through more than 50 members assisting 743 individuals and families become homeowners or maintain their homes. Program requirements and amounts vary but grants are typically \$3,000 to \$10,000 per household. Households must be at or below 80 percent of the area median income to qualify and working either directly with an FHLBI member institution or a member in partnership with a local housing agency. Seventy percent of the 2012 Homeownership Initiatives funding was disbursed through NIP and used by homeowners to repair or renovate their homes. Four members became new program participants in 2012 and two expanded their usage to NSA. 2012 was the last year NSA was offered as the federal program funding it was associated with has been expended. A total of \$745,000 in NSA down payment and closing cost funds was disbursed to assist with the purchase of a Neighborhood Stabilization Program-funded home in the three years of the NSA program.

COMMUNITY INVESTMENT PROGRAM (CIP)

The CIP offers below-market rate advances and letters of credit to members for long-term financing for housing and economic development benefiting low- and moderate-income families and neighborhoods. It is designed as a catalyst for economic development to support projects creating and preserving jobs and helping build infrastructure to support growth. In 2012, CIP originations totaled \$109.4 million. Advances totaled \$101.1 million and letters of credit, including interest, totaled \$8.3 million. Members can use CIP to fund owner-occupied and rental housing, construct and rehabilitate retail and commercial projects, fund public facilities like fire stations and libraries, and provide small business loans. About 85 percent of the projects reported job creation.



\$15,000 Breanna Hubbard's three-bedroom house was renovated with the help of a \$15,000 AHP grant through Mutual Bank.



Affordable Housing Program

Like many cities across the United States, Muncie, Indiana has its share of vacant homes. Habitat for Humanity of Greater Muncie (HfH) sees the potential in those homes and together with FHLBI member Mutual Bank is making housing affordable for local families.

Breanna Hubbard and her two-year-old son Daimon were living in an apartment complex that she felt was unsafe and lacked some of the amenities she wanted for Daimon, such as a backyard where he could play. "I liked the apartment that we were living in," commented Breanna, "but it was not a good environment for Daimon. Our new neighborhood is wonderful, though. Very peaceful."

The Hubbards' three-bedroom 1950s-era house was renovated with the help of a \$15,000 Affordable Housing Program (AHP) grant through Mutual Bank. The kitchen underwent an extensive rehab that updated the layout, as well as the countertops, cabinets and appliances. Lindsey Arthur, HfH's CEO, praised Breanna for her work to make her dream a reality. "It's not easy to juggle a work schedule so that you get all the sweat equity hours in, but Breanna was a great partner."



Lazarus Place in Muskegon Heights, MI was designed to assist those without a home to find a home. Working with the Muskegon County Homeless Continuum of Care Network and the Blueprint to End Homelessness, West Michigan Therapy, Inc. recognized the need to build space for those most in need to feel safe. Community Shores Bank assisted with an AHP award of \$310,310. Lazarus Place provides 4 one-bedroom apartments with comprehensive care coordination services to the tenants. Additionally, Lazarus Place is LEED Certified Silver and will empower tenants to live green while increasing the quality of life for themselves and their families.



Habitat for Humanity of Lansing, MI partnered with Jackson National Life Insurance Company to develop six new homes as the Green Community AHP project. The homes are designed with the latest in green building features to assure the long-term sustainability and continued affordability for the homeowners. The first home, built with the support of a \$130,000 AHP award, was dedicated to the Tony and Theresa Sollid family. Danielle Robinson, Jackson National's Corporate Responsibility Specialist, said, "It was really a collaborative process with Habitat to put the application together. It wasn't hard and it's easy to see the value of this type of program." Their partner, Habitat for Humanity of Lansing, is busy working on the remaining homes, with the second one recently finished and the other four in various stages of construction to be completed in 2013.

Affordable Housing Program

INDIANA

BEDFORD

Stalker School Apartments - \$360,000

Old National Bank

Sponsor: Hoosier Uplands Economic Development Corp.

18 Rental Units

These apartments will include 18 two-bedroom units for individuals and families created through the adaptive reuse of the former Stalker School building built in 1899. The building is currently in blighted condition and has been vacant for more than 15 years. The development will include an on-site leasing office, community room and computer center.

BLOOMINGTON

Crawford Apartments - \$380,000

Old National Bank

Sponsor: LifeDesigns, Inc.

25 Rental Units

Crawford Apartments will provide services to persons who experience homelessness, including housing, case management, recovery and life skills education. The project will offer 25 one-bedroom apartments designed to be a permanent housing solution for this vulnerable population.

CHARLESTOWN

Hawthorne Glen Supported Living Phase IV - \$500,000

Your Community Bank

Sponsor: Rauch, Inc.

11 Rental Units

This project is the fourth of 6 phases to develop 54 permanent, single-room occupancy rental units and a clubhouse/park for persons with disabilities. Each 3-bedroom home allows for wheelchair accessibility. Each bedroom will have a closet, window seat, linen closet, and private bathroom with the home's common area consisting of a kitchen, living area, bathroom, laundry room, two storage closets and patio.

CICERO

Lakeside Gardens of Cicero - \$325,000

STAR Financial Bank

Sponsor: Hamilton County Area Neighborhood Development

5 Rental Units

Lakeside Gardens of Cicero will be an affordable senior rental community that offers an aging-in-place alternative for individuals 62 and older. The community consists of 5 single story 2-bedroom patio apartments designed to be both accessible and energy efficient.

ELKHART

Mosaic Housing of Elkhart - \$500,000

1st Source Bank

Sponsor: Mosaic

8 Rental Units

This project will construct one 4-bedroom group home and rehabilitate another 4-bedroom home to provide a structured living environment to individuals who require support due to intellectual disabilities. Mosaic is collaborating with students from the Notre Dame School of Architecture-Center for Building Communities to design the housing on a site targeted by the City of Elkhart for revitalization.

EVANSVILLE

ERM Men's Center - \$500,000

Old National Bank

Sponsor: Evansville Rescue Mission, Inc.

132 Rental Units

The Evansville Rescue Mission will move its current facility to a larger building that will be rehabbed to include emergency and transitional housing for homeless men. The construction will include a large commercial kitchen, expanded community dining room, barber shop, and meeting rooms.

Jacob's Village - \$150,000

Old National Bank

Sponsor: Jacob's Village, Inc.

12 Rental Units

Jacob's Village is phase II of a 132-acre campus that provides housing and care alternatives for seniors seeking aging-in-place options. A range of supportive programs and services are available on site and may be adapted as elder care needs change.

North Main Commons - \$500,000

Old National Bank

Sponsor: ECHO Housing Corp.

20 Rental Units

This new 3-story apartment community located in the Jacobsville neighborhood will feature 21 one-, two- and three-bedroom apartments for chronic homeless families and veterans with histories of physical and mental health disabilities, chronic illness and chemical dependency. On-site amenities will include laundry facilities and a community area/park to encourage socialization.

FORT WAYNE

Fairfield Community Home - \$500,000

Tower Bank & Trust Co.

Sponsor: SCAN, Inc.

36 Rental Units

The project will consist of demolishing a vacant building and constructing one- and two-bedroom apartments for young adults ages 18-25 who are aging out of the foster care system, who are homeless or who have a need for extensive support services. The common spaces will include community rooms, computer areas, rooms for counseling, laundry room and teaching kitchen so residents can learn to cook while also gaining job skills.

GREENCASTLE

Millstone Pointe II - \$500,000

State Bank of Lizton

Sponsor: Milestone Ventures, Inc.

4 Rental Units

As a Stellar Community, Greencastle has a need for new affordable housing choices. This second phase of Millstone Pointe will add 6 units targeted to a mixed-income population with 2 units reserved for households with incomes over 80% of the area median income.

HUNTINGTON

Pathfinder Supported Living Homes - \$289,500

1st Source Bank

Sponsor: Pathfinder Services, Inc.

12 Rental Units

These 2 new group homes for developmentally disabled adults represent a collaboration of partners and include the donation of 2 properties. Supportive services provided by the sponsor ensure stable wrap-around services will be provided for the residents and promote independent living options.

INDIANAPOLIS

Fall Creek Town Homes - \$500,000

Merchants Bank of Indiana

Sponsor: King Park Area Development Corp.

60 Rental Units

Fall Creek Place Town Homes project consists of the rehabilitation of scattered sites improved with 30 duplex buildings near downtown Indianapolis. Originally known as Unity Park Homes, the units require rehabilitation and modernization to maintain affordable housing in this growing area.

Lincoln Apartments - \$500,000

National Bank of Indianapolis

Sponsor: Building Blocks Non-Profit Housing Corp.

75 Rental Units

Lincoln Apartments will be a 3-story building offering studio and one-bedroom apartments with common and social service space on the first floor. A community effort including the land donation and brownfield clean-up by the City of Indianapolis represents a collaborative, focused development initiative to provide stable permanent supportive housing for homeless veterans with disabilities.

Oxmoor Apartments - \$500,000

STAR Financial Bank

Sponsor: North Meridian Community Partners, LLC

20 Rental Units

The top-floor units of the Oxmoor, a vacant apartment building in the Shortridge-Meridian Street Apartments National Historic District, were damaged in a fire in 2010, and the building has become an eyesore. When completed, the Oxmoor will offer a mix of 16 one-bedroom units and 4 three-bedroom units and realize the reconstruction of an important historic structure slated for demolition.

KOKOMO

The Vista - \$160,000

Community First Bank of Indiana

Sponsor: Bona Vista Programs, Inc.

8 Rental Units

The lack of suitable housing for special needs clients is constrained by accessibility and universal design. Bona Vista will provide housing to allow clients to live independently under one roof with their own bedroom and bathroom space and shared living room, dining room, laundry room, kitchen and outdoor patio space.

MARION

Pleasant Woods - \$500,000

Mutual Bank

Sponsor: Carey Services, Inc.

10 Rental Units

Pleasant Woods proposes new construction of affordable rental units designed for adults with developmental disabilities in 5 one-story duplexes, fully equipped and accessible for independent living. The site plan includes a sheltered outdoor gathering place with gazebo, garden, and walking paths.

MUNCIE

Pasture Lane Rehab - \$15,000

Mutual Bank

Sponsor: Habitat for Humanity of Greater Muncie

1 Homeownership Unit

Habitat will acquire and rehabilitate one home in a higher income census tract for purchase by a low- to moderate-income family in an effort to stabilize neighborhoods and eliminate blight created by vacant, abandoned properties.

PALMYRA

Country Trace II - \$480,000

First Harrison Bank

Sponsor: Blue River Services, Inc.

8 Rental Units

Five duplexes will be constructed adjacent to senior rental housing, Country Trace Apartments. The duplexes will have two bedrooms with attached storage, a porch on the front of the building and a deck on the back. Universal design features to accommodate aging in place include walk-in shower with seat, handheld showerhead in tub and lower thresholds on exterior door entries for a smoother entrance.

PENDLETON

Ashbury Pointe IV - \$490,000

First Merchants Bank, NA

Sponsor: Milestone Ventures, Inc.

3 Rental Units

Ashbury Pointe IV is new construction of 3 two-bedroom units and 1 market-rate unit with attached garages enabling seniors 62 and older to age in place. A community building will be constructed and the current one will be converted into an affordable apartment.

SOUTH BEND

St. Joseph County Neighborhood Revitalization - \$96,000

1st Source Bank

Sponsor: Habitat for Humanity of St. Joseph Co.

8 Homeownership Units

Habitat for Humanity of St. Joseph County will build 3- or 4-bedroom homes on scattered infill sites in Mishawaka and South Bend that promote green building and are rated at an Energy Star level of 3.0.

WASHINGTON

Covered Bridge Apartments Phase II - \$500,000

First Financial Bank

Sponsor: Four Rivers Resource Services, Inc.

10 Rental Units

Covered Bridge Apartments Phase II will consist of the new construction of 2-bedroom apartments, 8 affordable units included in a 2-story building, and 2 market-rate units in a duplex.

MICHIGAN

ANN ARBOR

532 N. Main, Ann Arbor - \$132,700

Bank of Ann Arbor

Sponsor: Avalon Nonprofit Housing Corp.

7 Rental Units

532 N. Main is one of Avalon's earliest housing projects and has reached the end of its 15 year FHLBI compliance period. The property will be substantially rehabilitated with current tenants and rent structure remaining intact.

DETROIT

Cass Apartments - \$167,820

Citizens Bank

Sponsor: Cass Community Social Services

41 Rental Units

An existing vacant apartment building across the street from the Cass Community Social Services office will be extensively renovated into 41 one-bedroom apartments for extremely low-income homeless and special needs individuals and families. Wrap-around supportive services will be provided on site.

Cass Plaza - \$500,000

Dearborn Federal Savings Bank

Sponsor: Cass Corridor Neighborhood Development Corp.

47 Rental Units

Two vacant historic buildings will be renovated into 47 affordable units, decreasing blight and addressing community needs for additional affordable housing.

EAST JORDAN

Meredith Manor - \$500,000

Charlevoix State Bank

Sponsor: Northern Homes Community Development Corp.

10 Rental Units

Initiated by the East Jordan Housing Commission, Meredith Manor will create 10 one-bedroom apartments, offering permanent supportive housing for the elderly. The building will have a community room, covered entrances, an office and laundry room, as well as extra office and meeting space.

GRAND RAPIDS

Hope House - \$500,000

Chemical Bank

Sponsor: Covenant Ministries of Benevolence

6 Rental Units

Hope House is new construction of a 6 person group home for the disabled and is located on the grounds of another AHP-supported community, Faith House, funded in 2010. Residents will benefit from on-site supportive services and coordinated care plans as indicated by the individual's disability.

MOUNT CLEMENS

Turning Point Emergency Shelter - \$500,000

Talmer Bank and Trust

Sponsor: Turning Point

52 Rental Units

Turning Point provides much-needed shelter and services for victims of domestic violence. The project incorporates the rehabilitation of an older, existing structure, along with construction of new space. The shelter will provide a more private living environment for families, along with space for medical treatment, case management, community space and a playground.





\$7,500

Sarah Velez of Lansing, MI received a \$7,500 NIP grant from CASE Credit Union, allowing her to replace old single-pane windows with new energy-efficient ones and replace her leaking roof.

Homeownership Initiatives

CASE Credit Union in Lansing, Michigan provided a single Homeownership Opportunities Program grant in the early 90s. Their use of the program lapsed until they were contacted by a local housing provider looking for a partner to access the Neighborhood Impact Program (NIP). Karen Casler, CASE Credit Union's Research and Development Manager, wasn't familiar with NIP, so she checked it out online and convinced her CEO to register to participate in 2011. She said, "FHLBI's web site had great information, and I was able to get lots of help from the staff in Indianapolis." CASE Credit Union assisted 4 homeowners in 2012 to rehabilitate their homes. She especially appreciated the comments of one homeowner, who said she felt like she had won the lottery. Karen proudly photographs each homeowner after the rehabilitation is complete. Windows and roofs were replaced, and she was able to assist a member with a mortgage for additional home repairs.

Not only is Karen assisting her credit union's members, but she has recommended the program to other credit unions. David Watkins, Communicating Arts Credit Union's Marketing Coordinator in Detroit, Michigan, started using NIP in 2012. He similarly reported that his members receiving NIP felt like they had hit the lottery. He asks, "How else would they do these repairs? They're not making two times this much a year." Communicating Arts Credit Union's NIP involvement was first marketed through tellers at branches the same time a City of Detroit weatherization program was running out of funds with a waiting list of 20,000. Obviously, there's no shortage of eligible and interested households. A total of 23 households were assisted in 2012 with new roofs, windows, furnaces, insulation and exterior doors, for a total of \$163,000 in repairs.



\$7,045

Colleen Cassidy used NIP funds from Communicating Arts Credit Union in Detroit to get a new roof, gutters, downspouts and windows for her home. Homeowners can receive up to \$10,000 to use for home renovations and repairs that also include basement waterproofing, insulation and foundation repairs. In 2012 Communicating Arts Credit Union obtained \$163,574 of NIP dollars to help 23 area homeowners.



\$10,000

Michael and Tonia Piper of Dimondale, MI received a \$10,000 NIP grant from CASE Credit Union to replace worn out windows and exterior doors. They also were able to add insulation to improve their home's energy efficiency. Karen Casler, CASE Credit Union's Research and Development Manager, is also pictured.

Community Investment Program



The Port Austin State Bank obtained a \$650,000 CIP advance to finance the construction of an addition and overall renovation of the local library in Port Austin, MI. The expanded library has more public space with updated technology. The project qualified for CIP based on the income level of the area being served, although new or retained jobs could also have been used to qualify the project. Construction jobs for local contractors provided an economic boost to the community.



Habitat for Humanity of St. Joseph County in South Bend, IN renovated a former Frank's Nursery & Crafts building into a new Habitat ReStore. 1st Source Bank obtained a CIP advance of \$1.6 million to help finance the project. The new store is a larger facility that will help the organization to increase sales, generating greater profits to allow more Habitat homes to be built in St. Joseph County.

Officials from Orange Township in Noble County Indiana have been talking about a new fire station for over 15 years. When they bought a new fire engine, it was too tall to fit in their 3,000 square foot rented building and had to be stored in a separate garage. As an all-volunteer fire department, putting together the plans became the mission of Orange Township trustee George Wolfe. With the approval of a bond issuance and a loan from Campbell & Fetter Bank, the fire department moved into their spacious new building in 2012. In addition to an 8,000 square foot truck bay, the Township's offices and a community room were included in the new building.

The planning for the new station took 2 years, with township officials touring over 18 different fire stations while working on the plans. The building incorporated many energy-efficient features, including extra insulation that resulted in utility savings of \$700 per month. George Wolfe said, "People were worried we were doing this project at the wrong time because of the economy, but we had 16-18 bids submitted. The costs came in \$300,000 less than our projections, thanks to all the interested contractors."

The Township put financing for the fire station out to bid as well. Campbell & Fetter Bank didn't have a relationship with the Township when they won the bid. They were able to quite easily qualify the project for a CIP advance. Doug Targgart, Cashier with Campbell & Fetter, said, "This was the first fire station we have financed, and we are considering CIP for several other loans we're working on."



\$1,000,000

The Orange Township Fire Department in northeastern Indiana has a new fire station built with the help of a low-cost CIP advance obtained by FHLBI member Campbell & Fetter Bank.



Community Spirit Awards

Recognizing excellence in community economic development

The Federal Home Loan Bank of Indianapolis and its Affordable Housing Advisory Council present the annual Community Spirit Award to honor an individual from one of its member financial institutions who has shown an outstanding dedication to affordable housing and community economic development.



\$750,000

Post-secondary Transitional Living Facility, Saginaw, MI – SVRC Industries worked with FHLBI member Wanigas Credit Union to obtain an AHP grant of \$750,000 to help support the \$1.6 million project.



\$585,000

Heritage Homes, South Bend, IN – Heritage Foundation received an AHP grant of \$585,000 through FHLBI member Lake City Bank to renovate duplexes in the Heritage Homes Southeast neighborhood.



Bernie Williams

CEO, WANIGAS CREDIT UNION
SAGINAW, MICHIGAN

Bernie helped coordinate the First Annual Partners Forum on Revitalization for the City of Saginaw to provide awareness of affordable housing programs. Under his leadership, Wanigas Credit Union has received over \$3 million in FHLBI grant dollars benefitting nearly 300 households. Bernie has overseen the use of the FHLBI Homeownership Initiatives, which has helped Wanigas members and local resi-

dents obtain assistance with home improvements and down payments or closing costs for first-time home buyers.

In 2009, Wanigas partnered with SVRC Industries, Inc. to receive an FHLBI AHP award for the Post-secondary Transitional Living Facility project for developmentally disabled young adults. As a result of this partnership, SVRC Industries was recognized for its financial commitment to the community and named a 2011 Business of the Year by Saginaw Charter Township.

Also under Bernie's guidance, Wanigas partnered with Saginaw Habitat for Humanity to receive an AHP award for rehabilitation of 12 vacant/foreclosed homes that will be sold to Habitat partner families. Bernie serves his community as a Board Member for Cen Corp, a member of the Michigan Credit Union League's Mid Michigan Chapter, and as a member of the American Institute of Certified Public Accountants.



Rafael "Ralph" M. Villalon

ASSISTANT VICE PRESIDENT, CRA OUTREACH OF LAKE CITY BANK
WARSAW, INDIANA

Under Ralph's leadership, Lake City Bank has a long history of partnering with a local housing agency LaCasa on their Financial Fitness Class. Ralph brings a level of excellence to the class by teaching complex financial topics in a way that is easy to understand and implement. Ralph was also instrumental in setting up a micro loan "Learning to Save," a loan giving participants the opportunity to build credit through a secured bank loan, regardless of credit history.

Ralph's community contributions are many, including:

- contributing to neighborhood growth through the Help-a-House program;
- assisting applicants for the FHLBI's NIP product to rehabilitate their homes; and
- serving as a community resource to disseminate information to the immigrant population.



2012 COMMUNITY INVESTMENT STAFF

FRONT LEFT TO RIGHT

Trish Lewis - AVP, AHP Compliance Manager

MaryBeth Wott -VP, Community Investment Officer

MIDDLE LEFT TO RIGHT

RoseMarie Roberts - AHP Compliance Analyst

Shannon Fountain - AVP, Community Lending Manager

Marjorie Green - AVP, Community Investment Development Manager

Robert Graves - Database Administrator

BACK LEFT TO RIGHT

Greg Teare - SVP, Chief Banking Officer

Ronna Edwards - AHP Compliance Analyst

Rebecca Henderson Hyink - AHP Compliance Analyst

Stephany Tays - Administrative Assistant



FEDERAL HOME LOAN BANK
OF INDIANAPOLIS

8250 Woodfield Crossing Blvd.
Indianapolis, IN 46240
800.688.6697 www.fhlbi.com